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SUBJECT: ZAGREB WEEKLY ACTIVITY REPORT - FEBRUARY 19, 2009

11. (U) MFA REPORTS THAT ALL NATO PARLIAMENTS HAVE APPROVED CROATIA'S NATO ACCESSION PROTOCOL
The MFA issued a press release on February 18 stating that it received information that the Parliament of Greece approved Croatia's accession protocol. The MFA also reported that over the last week it received notification that the parliaments of Iceland, the Netherlands, and Portugal had also approved the protocol. With the action taken by these four countries, the MFA now considers that the parliaments of all 26 NATO member countries have voted on Croatia's NATO protocol. (PD'Amico)

12. (U) CACIC BOWS OUT OF ZAGREB MAYORAL RACE, MAY RUN FOR PRESIDENT:

On February 16, president of the Croatian Peoples Party (HNS), Radimir Cacic, announced that he would not run for the mayor of Zagreb. In his place the HNS will run either the president of the city-council and former MP, Alenka Kosisa Cicin-Sain, or former Zagreb-city minister of culture, Andreja Zlatar Violic. Local media have reported that sources close to Cacic indicate that he is turning his sights to a potential presidential run later this year. In keeping with the HNS's distaste for current Zagreb Mayor Milan Bandic, HNS has hinted that should their candidate not make it to a second round run-off--presumably against Bandic--they will back the mayoral candidate of Croatian Democratic Union, Jasen Mesic. However, the absence of Cacic makes it more likely that Bandic will win an outright majority in the first round (Septel). (DMEGES)

 $\P 3$. (U) NATIONAL BANK GOVERNOR STANDS FIRM ON MAINTAINING VALUE OF KUNA:

In a rare press conference on February 18, Croatian National Bank (HNB) Governor Zeljko Rohatinski stressed the importance of maintaining the stability of the financial system as a means of preserving Croatia's economy through the global crisis. He criticized the group of commercial banks who recently tried to make their provision of loans to the GOC conditional on the GOC's forcing changes in certain HNB policies. Rohatinski reaffirmed the HNB's commitment to defending the kuna despite the expected consequent rise in interest rates. He also said he believes Croatia knows well what steps must be taken to overcome the crisis without IMF assistance. He noted, however, that he said the same thing two months ago, but that little progress had been made. He said the crucial question is whether the government can introduce the necessary unpopular measures on its own, or whether it needs a stand-by arrangement with the IMF as an alibi. (Note: The HNB has about 9 billion EUR in foreign currency reserves. In the past, Rohatinski has said he would recommend the government seek IMF assistance if reserves fell below 7 billion EUR.) (SLITKE)

14. CROATIA EXPORTING DEMINING EXPERTISE: The Croatian Mine Action Center (CROMAC) and the Yemen Executive Mine Action Center signed a cooperation agreement on February 11 in

Cairo, Egypt. Egypt also expressed interest in establishing cooperation with Croatia for mine action. The director of the Yemen center said he was interested in gaining Croatian expertise in mechanical (machine) demining. CROMAC established a subsidiary in 2003 for testing, development and training (CROMAC-HRTO). The Yemen agreement marks the first project outside of the Balkan region for CROMAC as it tries to expand its systems management and training operations. (CZIMMER)

- 15. PROMINENT CROATIAN JOURNALIST GIVES EMBASSY STAFF INSIGHT ON MEDIA LANDSCAPE: The Public Affairs section held a media class for the embassy to review the mission's media policy and help staff to better highlight positive Croatian-American relations and explain USG policies to journalists. The session also featured a conversation with Davor Glavas, one of Croatia's preeminent journalists and a long-time friend of the embassy. (Note: PD is working with Glavas and the Croatian American Journalists' Association to organize a regional media conference to be held in Zagreb in May.) In a frank interchange with staff, Glavas provided a broad overview of the media and an insider's look at the players and issues on the Croatian media landscape. Croatia's print media, like many others worldwide, face the challenging problem of declining circulation and newsroom budgets. Glavas also discussed the problem of excessive commercial influence on the media, describing the converging interests of media owners, advertisers, and distributors. (KWETZEL)
- 16. CELEBRATING THE ABRAHAM LINCOLN BICENTENNIAL AT THE AMERICAN CORNERS: Marking the bicentennial of Abraham Lincoln's birth, APAO delivered lectures to secondary school students at the American Corners in Zagreb and Zadar on Lincoln's life and presidency. Featuring quotes from President Obama on Lincoln's background and the American dream, the presentation explained Lincoln's meaning for Americans, tracing the progress of civil rights from emancipation through Martin Luther King to the election of President Obama. The presentation will be delivered at the American Corner in Rijeka to university students in March. (KWETZEL) BRADTKE